

NEWS RELEASE

FOR IMMEDIATE RELEASE

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Bond Refunding Nets SSLGC Significant Savings

SEGUIN, Texas – The recent sale of Schertz/Seguin Local Government Corporation bonds has resulted in a savings of more than \$3 million for the corporation and its member cities. The sale of the bonds, approved by SSLGC and the city councils of Schertz and Seguin, was finalized December 2.

“As a result of the continued excellent management of the two respective systems and the financial policies implemented by the SSLGC Board, the corporation received a bond rating upgrade to A+ from Standard & Poor’s Rating Service and was able to borrow the money at an average interest rate of 4.21%,” SSLGC General Manager Alan Cockerell said. “In addition, SSLGC was able to refinance \$35,565,000 at lower interest rates which will save the corporation and its member cities \$3,138,000 of debt service over the life of the loan.”

In late November, Standard and Poor’s upgraded the City of Seguin utility system rating from A to A+. Seguin’s upgrade also raised the SSLGC rating to A+.

“SSLGC continues to plan for the future water needs of the Cities of Schertz and Seguin and recently financed \$7,300,000 to develop the first phase of the Guadalupe project,” Cockerell continued. “This planned expansion will increase the water supply of SSLGC to continue to meet the growing needs of its customers.”

About the Schertz Seguin Local Government Corporation

The Schertz/Seguin Local Government Cooperation is a wholesale water supplier equally owned by the cities of Schertz and Seguin. SSLGC was formed in 1998 as a wholesale water supply system from the Carrizo Aquifer. Water production started in 2002 with delivery to Seguin and followed the next year with delivery to Schertz. SSLGC now has 12 wells in Gonzales County, two treatment plants with a maximum capacity of 32 million gallons per day, six storage tanks with a maximum capacity of 15 million gallons and 43 miles of pipeline with a capacity of 13 million gallons. SSLGC not only serves as a water supply for Schertz and Seguin, but it also maintains a strong wholesale water customer base, including contracts with the Cities of Selma, Universal City and Converse, as well as, Springs Hill Water Supply Corporation and the San Antonio Water System. To date the system has delivered more than 36 billion gallons of water.

About the City of Seguin

Seguin, Texas is located off Interstate 10, about 35 miles east of San Antonio. Seguin is big enough to boast a top-rated university and a state-of-the-art hospital. More than 25,000 residents enjoy a range of cultural, recreational and employment opportunities. Seguin’s robust diversified economy features a steelmaker, a manufacturer of automotive parts and plants making roadside mowing equipment and building materials. In 2009, Seguin was proud to be selected by Caterpillar as the site of a major new engine manufacturing facility. For additional information, please visit our website at www.seguintexas.gov.

About the City of Schertz

Schertz is a premier Texas community, located just northeast of San Antonio, nationally recognized for its family atmosphere, foresight and innovation, and commitment to economic prosperity and workforce opportunities. The City of Schertz serves over 35,000 residents and over 700 businesses in various capacities. For more information please visit our website at www.schertz.com.

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